BILL NO. R-84-08-23

RESOLUTION NO. R-103-84

A RESOLUTION FINDING, DETERMINING
AND RATIFYING AN INDUCEMENT RESOLUTION
OF THE FORT WAYNE ECONOMIC DEVELOPMENT COMMISSION
AUTHORIZING THE ISSUANCE AND SALE OF
$750,000.00 ECONOMIC REVENUE BONDS OF THE
CITY OF FORT WAYNE, INDIANA,
FOR THE PURPOSE OF INDUCING THE APPLICANT,
PRT CORPORATION OR ITS ASSIGNEE
TO PROCEED WITH THE ACQUISITION
CONSTRUCTION AND EQUIPPING OF THE PROJECT.

WHEREAS, the City of Fort Wayne, Indiana, (the "Issuer") is authorized by I.C. Sec. 36-7-12 (the "Act") to issue revenue bonds for the financing of economic development facilities, the funds from said financing to be used for the acquisition, construction and equipping of said facilities, and said facilities to be either sold or leased to another person or directly owned by another person; and

WHEREAS, PRT Corporation Or Its Assignee (the "Applicant") has advised the Fort Wayne Economic Development Commission and the Issuer that it proposes that the Issuer acquire and equip an economic development facility and sell and/or lease the same to the Applicant or loan proceeds of an economic development financing to the Applicant for the same, said economic development facility to be expansion of existing facility together with purchase of additional equipment located at 1140 Hayden Street, Fort Wayne, Indiana, including costs of issuance (the "Project"); and

WHEREAS, the diversification of industry and an increase in 10 jobs to be achieved by acquisition and construction and equipping of the Project will be of public benefit to the health, safety and general welfare of the Issuer and its citizens; and

WHEREAS, having received the advice of the Fort Wayne Economic Development Commission, it would appear that the financing of the Project would be of public benefit to the

health, safety and general welfare of the Issuer and its citizens; and

WHEREAS, the acquisition and construction of the facility will not have an adverse effect on any similar facility already constructed or operating in or about Fort Wayne, Indiana.

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA:

SECTION 1. The Common Council finds, determines, ratifies and confirms the promotion of diversification of economic development and job opportunities in and near Fort Wayne, Indiana and in Allen County, is desirable to preserve the health, safety and general welfare of the citizens of the Issuer; and that it is in the public interest that Fort Wayne Economic Development Commission and said Issuer take such action as it lawfully may to encourage diversification of industry and promotion of job opportunities in and near said Issuer.

SECTION 2. The Common Council further finds, determines, ratifies and confirms that the issuance and sale of revenue bonds in an amount not to exceed $750,000.00 of the Issuer under the Act for the acquisition, construction and equipping of the Project and the sale or leasing of such a financing to the Applicant for such purposes will serve the public purpose referred to above, in accordance with the Act.

SECTION 3. In order to induce the Applicant to proceed with the acquisition, construction and equipping of the Project, the Common Council hereby finds, determines, ratifies and confirms that (i) it will take or cause to be taken such actions pursuant to the Act as may be required to implement the aforesaid financing, or as it may deem appropriate in pursuance thereof, provided that all of the foregoing shall be mutually acceptable to the Issuer and the Applicant; and (ii) it will adopt such ordinances and resolutions and authorize the execution and delivery of such

instruments and the taking of such action as may be necessary and advisable for the authorization, issuance and sale of said economic development bonds.

SECTION 4. All costs of the Project incurred after the passage of this Inducement Resolution, including disbursement or repayment of the Applicant of monies expended by the Applicant for planning, engineering, interest paid during construction, underwriting expenses, attorney and bond counsel fees, acquisition, construction and equipping of the Project will be permitted to be included as part of the bond issue to finance said Project, and the Issuer will thereafter either sell or lease the same to the Applicant or loan the proceeds of such financing to the Applicant for the same purposes.

COUNCILMAN

ADOPTED BY ECONOMIC DEVELOPMENT COMMISSION
AND APPROVED AS TO FORM.

John J. Wernet, Attorney for the
Economic Development Commission
Dated this 13th day of August, 1984

APPROVED AS TO FORM AND LEGALITY.

Bruce O. Boxberger, City Attorney
Dated this 13 day of August, 1984

Read the first time in full and on motion by Gia Quinta, seconded by Talarico, and duly adopted, read the second time by title and referred to the Committee Finance (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Council Chambers, City-County Building, Fort Wayne, Indiana, on _____, the _____ day of _____, 19____, at _____ o'clock ____.M.,E.S.

DATE: 8-14-84

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Read the third time in full and on motion by Gia Quinta, seconded by Stier, and duly adopted, placed on its passage. PASSED (~~LOST~~) by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT	TO-WIT:
TOTAL VOTES	9				
BRADBURY	✓				
BURNS	✓				
EISBART	✓				
GiaQUINTA	✓				
HENRY	✓				
REDD	✓				
SCHMIDT	✓				
STIER	✓				
TALARICO	✓				

DATE: 8-28-84

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (~~ANNEXATION~~) (~~APPROPRIATION~~) (~~GENERAL~~) (~~SPECIAL~~) (~~ZONING MAP~~) ORDINANCE (RESOLUTION) NO. R-103-84 on the 28th day of August, 19 84,

ATTEST: (SEAL)

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Barry A. Eisbart
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 29th day of August, 19 84, at the hour of 11:00 o'clock A.M.,E.S.T.

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 29th day of August, 19 84, at the hour of 4:00 o'clock P.M.,E.S.T.

Win Moses Jr.
WIN MOSES, JR., MAYOR

Held until 8/27/84

BILL NO. R-84-08-23

REPORT OF THE COMMITTEE ON FINANCE

WE, YOUR COMMITTEE ON FINANCE TO WHOM WAS REFERRED AN ~~ORDINANCE~~ A RESOLUTION FINDING, DETERMINING AND RATIFYING AN INDUCEMENT RESOLUTION OF THE FORT WAYNE ECONOMIC DEVELOPMENT COMMISSION AUTHORIZING THE ISSUANCE AND SALE OF $750,000.00 ECONOMIC REVENUE BONDS OF THE CITY OF FORT WAYNE, INDIANA, FOR THE PURPOSE OF INDUCING THE APPLICANT, PRT CORPORATION OR ITS ASSIGNEE TO PROCEED WITH THE ACQUISITION CONSTRUCTION AND EQUIPPING OF THE PROJECT

HAVE HAD SAID ORDINANCE UNDER CONSIDERATION AND BEG LEAVE TO REPORT BACK TO THE COMMON COUNCIL THAT SAID ORDINANCE DO PASS.

MARK E. GiaQUINTA, CHAIRMAN — Mark E. GiaQuinta

JAMES S. STIER, VICE CHAIRMAN — Jim S.

JANET G. BRADBURY — Janet G. Bradbury

THOMAS C. HENRY — Thomas C. Henry

DONALD J. SCHMIDT — D Schmidt

CONCURRED IN 8-28-84
SANDRA E. KENNEDY, CITY CLERK

OF(ONOMIC DEVELOPMENT FACILITIE('OR
PRI Corporation or its Assignee

Having been furnished certain data by the above applicant, and having had discussions with representatives of said applicant, the Fort Wayne Economic Development Commission now submits the following report pursuant to Indiana Code 36-7-12-1 et seq.

Description of Proposed Facilities

The projects will consist of construction of a 35,000 square foot addition to the building located at 1140 Hayden Street plus the acquisition of equipment in the City of Fort Wayne.

Estimate of Public Services Required

All public services, including water and sewage, now exist. No public facilities will be made necessary on account of the proposed facilities.

Total Project Cost

The total project cost for the purchase, construction and equipping of the facilities is estimated to be $ 750,000.00, including costs of issuance the economic development revenue bonds.

Number of Jobs and Estimated Payroll

It is anticipated there will be approximately 10 new jobs created by this project with an estimated payroll increase of approximately $150,000.00 annually.

Adverse Competitive Effect

The construction of the facilities will not have an adverse competitive effec on any similar facilities already constructed or operating in or near Fort Wayne, Indiana.

Dated this _____ day of _____, 19__.

Sidney R. Sheray

Charles Henry

Timothy Borne

Phil A. Howard

Helen Harkinson

JON L. WALDA
Vice President

219/423-6352

LINCOLN NATIONAL BANK

July 31, 1984

Mr. Marvin Adler
President
Flashfold Carton, Inc.
1140 Hayden Street
Fort Wayne, Indiana 46858

Dear Mr. Adler:

Please accept this letter as our formal commitment to purchase up to Five Hundred Thousand Dollars ($500,000) of Economic Development Bonds issued on your behalf by the City of Fort Wayne. Per your request, we hereby agree to seek an additional Two Hundred and Fifty Thousand Dollars ($250,000) approved by our Loan and Investment Committee bringing the total amount to Seven Hundred Fifty Thousand Dollars ($750,000). This commitment to purchase the EDC Bonds is subject to certain terms and conditions outlined as follows:

Amount: Five Hundred Thousand Dollars ($500,000) - seeking Two Hundred Fifty Thousand Dollars ($250,000) bringing total purchase to Seven Hundred Fifty Thousand Dollars ($750,000)

Term: Five (5) to seven (7) years

Interest Rate: To be negotiated

Payments: Monthly or quarterly principal and interest payments

Fees: One percent (1%) of total commitment paid at closing. In addition, Flashfold Carton, Inc. will be responsible for all legal fees incurred with this transaction as well as all closing costs.

Collateral: Real estate mortgage on the building, as well as first security interest in the equipment being purchased from the bond proceeds, and all corporate assets cross-collateralized and cross-defaulted.

Guarantors: The debt is to be fully guaranteed by Flashfold Carton, Inc., Sandusky Folding Box, Inc. and PRT, Corp.

Opinions: Bond counsel opinion from a nationally qualified and recognized law firm will be required to verify the tax free status of this transaction.

Acceptable Maturity: This letter of acceptance will be in effect for 90 days, with funding under the interim financing loan to be fully completed one year from the initial advance.

Personal Property: A complete list of personal property to be acquired should be furnished indicating description, cost, and serial number (if applicable).

Insurance Endorsement: Insurance coverage on the property and equipment should be provided evidencing complete and adequate coverage with Lincoln National Bank being named as loss payee.

Approvals: All necessary municipal and economic development commission approvals should be obtained.

Agreement: Loan and Security Agreements will be prepared and in effect covering mutually agreed upon loan covenants traditionally in place with this type of financing.

Revocability: This commitment, notwithstanding the compliance with the above terms and conditions, shall be revocable on the part of the Bank anytime prior to funding, in the event that there are any changes or amendments to the appropriate Internal Revenue Service rules and regulations or any other legislation passed by the State of Indiana or Congress of the United States, changing or amending legislation concerning the issuance of Economic Development Industrial Development Bonds.

Mr. Adler, I trust you will find favor with this commitment letter; and if so, please evidence your acceptance by signing the enclosed original and returning same to my attention.

I thank you for the opportunity to be of service to your very fine organization and look forward to working with you on this project.

Please do not hesitate to call if you have any questions.

Respectfully yours,

Jon L. Walda mc

Jon L. Walda
Vice President

JLW:rt
Enclosure

For Inducement Resolution

The Fort Wayne Economic Devleopment Commission will hold a public hearing at 11:00 a.m., on July 19, 1984, in the Board of Works Conference Room of the City-County Building, One Main Street, Fort Wayne, Indiana, on a proposed financing of economic development facilities to be financed by the issuance of the City of Fort Wayne, Indiana, Economic Development Revenue Bonds (application of PRT and/or its assignee) in an amount not to exceed $750,000.00, the proceeds of which will be loaned to the applicant to pay the cost thereof.

Said Bonds will not be a general obligation of the City of Fort Wayne and will not be payable in any manner by taxation, but will be payable solely from payment by the applicant, as provided in the Loan Agreement, Trust Indenture and authorizing Ordinance.

The project will consist of construction of a 35,000 square foot addition to the building located at 1140 Hayden Street plus acquisition of equipment in the City of Fort Wayne within Allen County, Indiana.

Sidney Sheray, President
Fort Wayne Economic Development Commiss

Please publish the above notice one time in both the Journal Gazette and the News Sentinal.

Deadline for publication is July 7, 1984.

Send proof of publication and statement to Department of Economic Development, 8th Floor City-County Building, One Main Street, Fort Wayne, IN 46802

cc: John Wernet
200 Metro Building
Fort Wayne, IN 46802

Fee: $187.50

APPLICATION
TO
FORT WAYNE, INDIANA, ECONOMIC DEVELOPMENT COMMISSION
FOR
ECONOMIC DEVELOPMENT REVENUE BOND FINANCING

A. GENERAL INFORMATION:

1. Applicant's Name: PRT Corporation or its Assignee

2. Address of applicant's principle office and place of business:
1140 Hayden Street
Fort Wayne, Indiana 46803

3. Name of contact person for additional information and notices:
William T. Hopkins, Jr.

4. Address of contact person:
6th Floor, Lincoln Bank Tower
Fort Wayne, Indiana 46802

5. Phone number of contact person (219) 424-3800

B. PROJECT INFORMATION:

6. What is the proposed amount of the bond issue? (include cost of project plus issuane cost of bonds) $ 750,000.00

7. Provide a brief description of the project:
20,000 square foot expansion of existing building plus
purchase of additional equipment.

8. Itemize the use of the bonds by expenditure category.

Item	Estimated Expenditure
Building	$200,000
Equipment	525,000
Administrative and Closing Costs	25,000

9. If the proceeds of the bond issue are not sufficient to complete the proposed project, itemize the additional amount of funds which will be necessary and indicate the source of such funds.

10. Where is the proposed project to be located? (Give street address and attach a legal description for property as it appears on County Auditor's Records)

1140 Hayden Street, Fort Wayne, Indiana 46803

11. Are architects' renderings or blueprints available on facilities to be constructed? Yes___ No X

If yes, provide a copy of those renderings and blueprints to the coordinator of the Fort Wayne Economic Development Commission.

If no, describe facilities to be constructed.

Add on to existing building

12. Is the project solely within the city limits of Fort Wayne? Yes X No___

If no, give the name of the township and/or other municipality in which it is located. _____

13. If project is not located within the city limits of Fort Wayne, will you waive your right to remonstrate annexation? Yes___ No___

14. Is the project within the Fort Wayne Community School District? Yes X No___

If no, state the name of appilcable school district.

15. What is the approximate size of the tract or parcel of property on which the project is to be situated?

5.5 acres

16. Is the proposed facility, or a portion thereof, to be leased to another entity or entities? YesX No_

If yes, name the entity or entities and indicate the portion of the project to be leased.

Entity	% Leased
Flashfold Carton, Inc.	100%

C. APPLICANT INFORMATION:

17. Type of organization under which the applicant does business (e.g. operation, partnership, sole proprietorship, joint venture).

Corporation

18. Under the laws of what state is the applicant orgnaized?

Indiana

19. Name the business or businesses in which the applicant is engaged.

Manufacturer of folding cartons and boxes.

20. Is the applicant qualified to do business in Indiana?
Yes X No ___

21. How long has the applicant been in operation in Allen County? 2.5 Years.

22. Please list the names and titles of principal operating personnel.

Name	Title
Marvin Adler	Director, President
Eugene Prescott	Director
David Learner	Director
Bob Reyborn	Vice President

23. Please list all persons or firms having an ownership interest of 10% or more in the applicant.

Name	% Ownership
David Learner	
Eugene Prescott	
Marvin Adler	

24. Are any persons both (a) shareholders or holders of any debt obligation of the applicant; and (b) officers or members of the Fort Wayne Economic Development Commission or the Common Countil of the City of Fort Wayne or the Allen County Council? Yes___ No X

If yes, list that person or persons.

25. Has any person listed above been convicted of a felony, or convicted of, or enjoined from, any violation of a state or federal securities law within the past ten (10) years? Yes___ No X

If yes, list that person or persons.

D. ZONING AND INFRASTRUCTURE INFORMATION:

26. What is the nature of the business to be conducted at the project location?

Manufacturing of folding cartons and boxes.

27. What is the existing zoning classification on the project site? M-1

28. What zoning classification does this project require?

M-1

29. Is the project site within the flood plain or rivergreenway area? Yes_____ No X

30. Does the proposed project need to be located within an economic development target area? Yes___ No X

31. Will the proposed project have ready access to City water? Yes X No___

If no, state the intended source of water for this project.

32. Will the proposed project have ready access to City sewer? Yes X No___

If no, do you intend to access that utility, or are septic tank and other temporary sewage treatment and disposal facilities to be used in lieu of sewers?

33. Are any adverse environmental impact anticipated by reason of operation of the proposed project, with particular reference to air, noise or water pollution?
Yes___ No X

If yes, briefly describe that impact.

E. PUBLIC BENEFIT INFORMATION:

34. State the number of jobs currently employed by the applicant within Allen County. Full Time 50 Part Time ___

35. State the number of jobs to be created by the proposed project once it is placed into operation.

Full Time 10 Part Time ___

36. State the number of jobs to be created by the proposed project with three (3) years after it is placed into operation. Full Time 10 Part Time ___

37. Briefly describe the category and nature of the new jobs to be created.

Production workers for folding cartons.

38. What additional annual payroll will the new jobs generate (a) immediately after the proposed facilities are placed, and (b) within three (3) years thereafter.

(a) $ 150,000

(b) $ 150,000

39. If the proposed project would not be approved for tax-exempt financing, is there any substantial possibility that loss of existing jobs would occur within Allen County?
Yes X No___

If yes, please list the approximate number of jobs to be lost and the approximate net annual payroll lost. Also, give reason for those jobs to be lost.

In order to insure retention of major accounts, additional facility and improved equipment is essential.

40. How will the proposed project further the economic development objectives of the City of Fort Wayne?

Development of central Fort Wayne industrial base.

F. ADVERSE COMPETITIVE EFFECT INFORMATION:

41. Do any current or potential business competitors at present exist within the boundaries of Allen County?
Yes X No___. Container Corporation

If yes, list that competitor(s) and state if the use of tax-exempt economic development revenue bonds for this project will put that competitor(s) at a competitive disadvantage.

Although Container Corporation is in the same industry, the amount of actual competition between Applicant and Container is negligible. Applicant believes that Container will not be put to any competitive disadvantage.

42. Will the proposed facility have an adverse competitive effect upon similar facilities already constructed and operating in Allen County? Yes_____ No X

If yes, state that adverse competitive effect.

43. If bond proceeds are to be utilized for construction of a new facility, why could not any existing facilities have met the needs of the applicant?

Expansion needed.

G. FINANCIAL AND LEGAL INFORMATION:

44. Applicant's net worth as of the end of the calendar quarter preceeding the date of application.
$450,000

45. Have tentative arrangements been made for the sale of bonds? Yes X No_____

If yes, briefly describe any such arrangements.

See attached Lincoln National Bank letter of interest.

46. Has the proposed project been informally reviewed by bond counsel to determine whether it is in accordance with applicable state and federal law? Yes__ No X__

If yes, state name and address of the firm of bond counsel.

47. How much equity contribution will be made by the applicant toward this project?

Secured by assets of the Corporation.

48. Is this a "Loan Through Lender" project? Yes__ No X

If yes, which local bank is providing a commitment for the necessary Letter of Credit (attach copy of same)

H. APPLICANT'S CERTIFICATION:

I/We certify that all information in this application and attached exhibits are true and complete to the best of my /our knowledge and belief. Verification may be obtained from any source named herein.

PRT Corporation
Name of Applicant

1. BY: Mari Adle

SEAL ITS: PRES

2. BY: _____

ITS: _____

Dated this 10 day of July, 1984.